

STAND. COM. REP. NO. 1737

Honolulu, Hawaii

APR 04 2025

RE: H.B. No. 799
H.D. 2
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 799, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CARE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Reduce the administrative burden for organized ambulatory health care facilities located in counties with populations of less than five hundred thousand by allowing physicians to practice at organized ambulatory health care facilities under certain conditions; and
- (2) Require the Department of Health to conduct a twelve-month evaluation of the benefits and impacts of allowing physicians to practice at organized ambulatory health care facilities without hospital privileges and submit a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2027.

Your Committee received testimony in support of this measure from the Department of Health, State Health Planning and Development Agency, Hawaii Employer-Union Health Benefits Trust Fund, Aloha Surgical Center, Hawaii Medical Association, and Hawaii Medical Service Association.



Your Committee received comments on this measure from the Healthcare Association of Hawaii, Hawaii Association of Health Plans, and Maui Health System.

Your Committee finds that Hawaii continues to face a shortage of health care providers. This has been especially challenging for the neighbor islands and in more rural areas of the State, where access to health care is already limited. Under existing law, physicians practicing at organized ambulatory health care facilities are first required to have hospital privileges at a licensed acute care hospital within the same geographic location as the organized ambulatory health care facility. This requirement has been particularly challenging for physicians serving in rural and underserved communities, such as Hawaii or Maui county. This measure removes an administrative barrier to improve interisland health care access throughout the State and provides a reasonable way to help alleviate the physician shortage on the neighbor islands.

Your Committee has amended this measure by:

- (1) Removing language that would have provided that a written transfer agreement shall not be required to transfer a patient from an organized ambulatory health care facility to a licensed hospital;
- (2) Removing language that would have required the Department of Health to conduct a twelve-month evaluation of the benefits and impacts of allowing physicians to practice at organized ambulatory health care facilities without hospital privileges and submit a report to the Legislature;
- (3) Changing the sunset date from June 30, 2030, to June 30, 2028; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and



purpose of H.B. No. 799, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 799, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,



JARETT KEOHOKALOLE, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* HB 799 HD2 SD1	Committee Referral: HHS, CPN	Date: 4/1/25
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton				✓
TOTAL	4			1

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature:


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***Only one measure per Record of Votes**